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BEFORE THE ARIZONA CORPORATION COMMISSION

57

**COMMISSIONERS**

JEFF HATCH-MILLER – Chairman 2007 JAN 31 P 12:02  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES  
GARY PIERCE

AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION OF ) DOCKET NO. W-02450A-06-0253  
WATER UTILITY OF GREATER TONOPAH, )  
INC., AN ARIZONA CORPORATION, FOR AN )  
EXTENSION OF ITS CERTIFICATE OF )  
CONVENIENCE AND NECESSITY. )

**NOTICE OF FILING**

Water Utility of Greater Tonopah, Inc. ("WUGT") provides notice of filing of its Analysis  
of Assured Water Supply.

RESPECTFULLY SUBMITTED this 31<sup>st</sup> day of September 2006.

ROSKA DEWULF & PATTEN, PLC

By

Michael W. Patten  
Timothy J. Sabo  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004

Original and 13 copies of the foregoing  
filed this 31<sup>st</sup> day of January 2007 with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Arizona Corporation Commission  
**DOCKETED**

JAN 31 2007

DOCKETED BY

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**ROSHKA DeWULF & PATTEN, PLC**

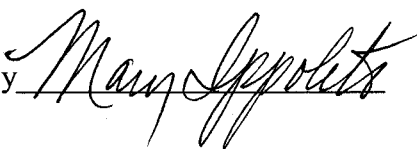
ONE ARIZONA CENTER  
400 EAST VAN BUREN STREET - SUITE 800  
PHOENIX, ARIZONA 85004  
TELEPHONE NO 602-256-6100  
FACSIMILE 602-256-6800

1 Copy of the foregoing hand-delivered/mailed  
2 this 31<sup>st</sup> day of January 2007 to:

3 Lyn Farmer, Esq.  
4 Chief Administrative Law Judge  
5 Hearing Division  
6 Arizona Corporation Commission  
7 1200 West Washington  
8 Phoenix, Arizona 85007

9 Christopher C. Kempley  
10 Chief Counsel, Legal Division  
11 Arizona Corporation Commission  
12 1200 West Washington  
13 Phoenix, Arizona 85007

14 Ernest G. Johnson, Esq.  
15 Director, Utilities Division  
16 Arizona Corporation Commission  
17 1200 West Washington  
18 Phoenix, Arizona 85007

19 By   
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**ARIZONA DEPARTMENT OF WATER RESOURCES****Office of Assured and Adequate Water Supply**

500 North Third Street, Phoenix, Arizona 85004

Telephone (602) 417-2465

Fax (602) 417-2467

JANET NAPOLITANO  
GovernorHERB GUNTHER  
Director**ANALYSIS OF ASSURED WATER SUPPLY**

March 1, 2005

**File Number:** 28-401555.0000  
**Development:** Balterra  
**Location:** Township 2 North, Range 7 West, Sections 23 & 24, and  
Township 2 North, Range 6 West, Sections 19  
Maricopa County, Arizona  
Phoenix AMA  
**Land Owner:** Roman Freeway LP, Harris Freeway LP, Nelson I Freeway LP, Kitzsteiner  
Freeway LP, L & L Freeway LP, L & B Freeway LP, Counts-Ashmann Freeway  
LP, Davis-Condon Freeway LP, Balterra, LLC, WT Freeway LP, Skinner  
Freeway LP, Chessen Freeway LP, SP Freeway LP, AC Freeway LP, W-O-K  
Freeway LP, Nelson II Freeway LP, Stralmeier PM Freeway LP

The Arizona Department of Water Resources has evaluated the Analysis of Assured Water Supply application for Balterra pursuant to A.A.C. R12-15-712. The proposed development includes 4,314 single-family residential lots, 881 multifamily residential lots and 334 non-residential acres containing commercial and open space areas, schools, parks and rights-of-way. The water provider will be Water Utility of Greater Tonopah. Conclusions of the review are indicated below based on the assured water supply criteria referenced in A.R.S. § 45-576 and A.A.C. R12-15-701 *et seq.*

- **Physical, Continuous, and Legal Availability of Water for 100 Years**  
On the basis of the hydrologic study submitted and the Department's review, the Department has determined that 3,057 acre-feet per year of groundwater will be physically and continuously available, which equals the applicant's projected demands for the development of 3,057 acre-feet per year. The legal availability of the water is not proven at this time. The development is not located within the current service area of the Water Utility of Greater Tonopah. A portion of the development falls within the Certificate of Convenience and Necessity boundary of the Water Utility of Greater Tonopah. Applications for Certificates of Assured Water Supply that follow the Analysis of Assured Water Supply will need to provide a detailed plan of how water service will be established. This may include use of Type 1 or Type 2 water rights or recovery of long term storage credits to create a new or satellite service area, or extension of existing service area lines to include the proposed development. Individual Notices of Intent to Serve will be required for each application for a Certificate of Assured Water Supply.
- **Adequate Water Quality**  
Adequate water quality has not been demonstrated at this time. The proposed development lies outside the provider's current service area, therefore, no drinking water compliance data are available. No water quality data was submitted with the application.

To provide service in this area, a provider will likely have to construct new wells. The Arizona Department of Environmental Quality will require water quality analyses for new source approval for each well. This requirement of an Analysis of Assured Water Supply will be reevaluated for each application for a Certificate of Assured Water Supply.

- **Consistency with Management Plan for the Phoenix Active Management Area**  
The projected demand for the development is consistent with the Third Management Plan for the Phoenix AMA. Balterra will use low water use landscaping and plumbing fixtures will comply with the statewide Low Flow Plumbing Code.
- **Consistency with Management Goal of the Phoenix Active Management Area**  
The Assured and Adequate Water Supply Rules (A.A.C. § R12-15-705) allocate a volume of groundwater to each new subdivision in an AMA to allow for the phasing in of renewable supplies. This groundwater allowance may be increased by extinguishing irrigation grandfathered groundwater rights (IGFR). Any groundwater delivery in excess of the groundwater allowance must be met through the direct or indirect use of renewable water supplies (surface water or effluent). Options for demonstrating "consistency with management goal" include: 1) direct use of surface water or effluent; 2) recharge and recovery of surface water or effluent; or 3) membership in the Central Arizona Groundwater Replenishment District (CAGRD).

The application indicates that the proposed development will enroll the lands of the entire development, including the commercial and open space areas, schools, parks and other non-residential areas, in the CAGRD to meet this requirement. The membership documents must be executed and recorded before a Certificate of Assured Water Supply will be issued.

Prior to preparing an application for a Certificate of Assured Water Supply for an individual subdivision plat, the Phoenix AMA Office or the Office of Assured Water Supply may be contacted for further guidance.

- **Financial Capability of the Owner to Construct the Necessary Distribution System**  
Pursuant to A.A.C. R12-15-707, financial capability will be evaluated by the local platting authority as a part of the process for obtaining a Certificate of Assured Water Supply for each subdivision. The application for a Certificate of Assured Water Supply includes a Verification of Construction Assurance for a Proposed Subdivision form. This form should be signed by the appropriate platting entity to provide evidence of financial capability. This requirement of an assured water supply will be evaluated upon application for a Certificate of Assured Water Supply.

The term of this Analysis of Assured Water Supply is ten years from the date of this letter and may be renewed upon request, subject to approval by the Department. Throughout the term of this determination, the projected demand of this development will be considered when reviewing other requests for assured water supply in the area.

Prior to obtaining plat approval by the local platting authority and approval of the public report by the Department of Real Estate, a Certificate of Assured Water Supply must be obtained for each subdivision plat. The findings of this Analysis of Assured Water Supply may be used to demonstrate that certain requirements for a Certificate have been met. This determination may be invalidated if the development plan or other conditions change prior to filing for a Certificate of Assured Water Supply.

Questions may be directed to the Office of Assured Water Supply at (602) 417-2465.

*Mark Frank*

Mark Frank, Acting Assistant Director  
Water Management Division

cc: Phoenix Active Management Area

## **ARIZONA CORPORATION COMMISSION**

### **APPLICATION FOR AN EXTENSION OF CERTIFICATE OF CONVENIENCE AND NECESSITY**

#### **WATER AND/OR SEWER**

#### **General Information:**

The attached forms have been prepared by the Utilities Division of the Arizona Corporation Commission to assist Applicants filing for an extension to the area covered by an existing Certificate of Convenience and Necessity. The information required in this application corresponds to the provisions of Arizona Revised Statutes Section 40-101 et. seq., and the Arizona Administrative Code R14-2-402.C/R14-2-602.B.

Use of the attached form is suggested, unless, a formal pleading format is used by an attorney. The information requested in this application must be included within the pleading.

Attachment "A" is a sample of a transmittal letter addressed to the Utilities Division Docket Control Center. Please add information to the letter indicating the purpose and reasons for the application. This format should be used unless you are using a Company letterhead. Place this letter at the beginning of the application. Keep this instruction sheet for your information. Do not attach it to the application.

#### **Instructions:**

1. Complete the forms accurately and attach all required documents. This will expedite the processing of the application.
2. Complete all the items that apply to your utility. If an item requested does not apply, mark it "Not applicable" or "N/A". If you do not complete an item, processing of your application could be delayed.
3. If the space provided is insufficient, put the information on a separate sheet of paper and label it clearly.
4. If an item is to be filed at a later date, mark the item "to be late filed by" and give the date by which it will be filed.

5. Have the application notarized.
6. Submit an original and ten copies of this application.
7. **NOTICING**: Notice of the application should be provided to all property owners in the proposed extension area, as well as to all customers and property owners in the existing certificated area. If there are fewer than 100 property owners in the extension area and/or customers in the existing area, notice should be mailed to them within 15 days after the application is filed. If there are more than 100 property owners in the extension area and/or customers in the existing area, notice should be given by mail or by publication at least once in a newspaper of general circulation in the service area within 15 days after the application is filed. Proof of notice should be filed with the Commission within 10 days after the notice was mailed or published. Hearings will always be held pursuant to law. The Hearing Officer will specify any additional notice in a Procedural Order. Attached as Attachment "C" is a form of notice to be provided in accordance with the above instruction.
8. If you plan to finance plant through debt (long term loans) or equity (stock issuance) a separate financing application must be made with separate notice to the public. A requirement sheet for filing a financing application will be provided to you at your request.

**Filing:**

When you have completed the application, mail or deliver it to:

Docket Control Center  
Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, Arizona 85007

# ARIZONA CORPORATION COMMISSION

## APPLICATION FOR AN EXTENSION OF CERTIFICATE OF CONVENIENCE AND NECESSITY

### WATER AND/OR SEWER

A. The name, address and telephone number of the Applicant is:

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B. The name, address and telephone number of management contact is:

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C. List the name, address and telephone number of the operator certified by the Arizona Department  
of Environmental Quality:

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D. List the name, address and telephone number of the attorney for the Applicant:

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E. Attach the following documents that apply to you:

1. Certificate of Good Standing (if corporation)

2. Corporate Resolution Authorizing this application (if required by the corporation's Articles of Incorporation)

F. Attach a legal description of the area requested by either **CADASTRAL** (quarter section description) or **Metes and Bounds** survey. References to parcels and docket numbers will not be accepted.

G. Attach a detailed map using the form provided as attachment B. Shade and outline the area requested. Also indicate the present certificated area by using different colors.

H. Attach a current balance sheet and profit and loss statement.

I. Provide the following information:

1. Indicate the estimated number of customers, by class, to be served in the new area in each of the next five years:

**Residential:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

**Commercial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

**Industrial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

**Irrigation:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

Other: (specify)

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_ Fourth Year \_\_\_\_\_

Fifth Year \_\_\_\_\_

2. **(WATER ONLY)** Indicate the projected annual water consumption, in gallons, for each of the customer classes in the new area for each of the next five years:

**Residential:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

**Commercial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

**Industrial:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

**Irrigation:**

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

3. Indicate the total estimated annual operating revenue from the new area for each of the next five years:

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

- **Complete Attachment "D" (Water Use Data Sheet) for the past 13 months**

4. Indicate the total estimated annual operating expenses attributable to the new area for each of the next five years:

First Year \_\_\_\_\_ Second Year \_\_\_\_\_ Third Year \_\_\_\_\_

Fourth Year \_\_\_\_\_ Fifth Year \_\_\_\_\_

J. Total estimated cost to construct utility facilities to serve customers in the requested area:

\_\_\_\_\_

K. Explain method of financing utility facilities (see paragraph 8 of instructions)

\_\_\_\_\_

\_\_\_\_\_

L. Estimated starting and completion date of construction of utility facilities:

Starting date \_\_\_\_\_ Completion date \_\_\_\_\_

M. Attach the following permits:

1. Franchise from either the City or County for the area requested.
2. Arizona Department of Environmental Quality or designee's approval to construct facilities.
3. Arizona State Land Department approval. (If you are including any State land in your requested area this approval is needed.)
4. U.S. Forest Service approval. (If you are including any U.S. Forest Service land in your requested area this approval is needed.)

5. (WATER ONLY) If the area requested is within an Active Management Area, attach a copy of, either the utility's Designation of an Assured Water Supply, or the developer's Certificate of 100 Year Assured Water Supply issued by the Arizona Department of Water Resources.

- If the area requested is outside an Active Management Area, attach the developer's Adequacy Statement issued by the Arizona Department of Water Resources if applied for by the developer.

- If the area requested is outside an Active Management Area and the developer does not obtain an Adequacy Statement, provide sufficient detailed information to prove that adequate water exists to provide water to the area requested.

\_\_\_\_\_  
(Signature of Authorized Representative)

\_\_\_\_\_  
(Print or Type Name Here)

\_\_\_\_\_  
(Title)

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires \_\_\_\_\_

**ATTACHMENT "A"**

**EXAMPLE ONLY**

(Company Name)

(Mailing Address)

(City or Town and Zip Code)

(Date)

Docket Control  
Arizona Corporation Commission  
1200 W. Washington St.  
Phoenix, Arizona

Attached is an application by (Name of Company) for (indicate the type of application this is for). The purpose of this application is to (Explain the purpose for and reasons behind the application).

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(Type Name Here and Sign)

**ATTACHMENT "C"**

**PUBLIC NOTICE OF AN APPLICATION FOR AN  
EXTENSION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY  
BY [name of Company]**

[Name of Company] has filed with the Arizona Corporation Commission ("Commission") an application for authority for an extension of its Certificate of Convenience and Necessity to provide [specific type of service] service. Our records indicate that you are either currently a customer of [Name of Company] or are a property owner in the proposed extension area. If the application is granted, [name of Company] would be the exclusive provider of [type of service] service to the proposed area. [Name of Company] will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in [Phoenix at 1200 West Washington Street/Tucson at 400 West Congress, North Building, Room 218], and at [name of Company and address].

The Commission will hold a hearing on this matter. As a property owner, or customer, you may be entitled to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application or have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at [1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000/400 West Congress, North Building, Room 218, Tucson, Arizona 85701 or call 1-800-535-0148].

## ATTACHMENT "D"

# WATER USE DATA SHEET

<b><u>NAME OF COMPANY</u></b> _____➡	
<b>ADEQ Public Water System No.</b> _____➡	

[illegible]

Other Water Sources in Gallons per Minute →	<u>GPM</u>
Fire Hydrants on System →	Yes      No
Total Water Pumped Last 13 Months (Gallons in Thousands) →	

COUNTY	SECTION	TOWNSHIP	RANGE

[illegible]

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